GO-ITS 56.5 OPS Grants Management Reference Model

Appendix A

Approved V2.4

Preface

The Ontario Public Service (OPS) has developed an enterprise architecture program to:

- Enable the transformation of the programs and services of the Ontario Government,

- Increase its return on investment in information and information technology.

Business architecture is an integral part of enterprise architecture and is intended to ensure the alignment of I&IT with business needs. Providing grants is a widespread business activity in the OPS, therefore it is imperative that grants management is clearly understood across all lines of business and I&IT.

Objectives

This reference model provides an abstract representation of Grants Management in the context of government programs and services. It is intended for OPS ministries and agencies that are considering the delivery of grants in planning and managing their operations.

The document is intended to help readers to:

- Gain a common understanding of what grants are and the generic business functions and data support involved when providing grants;

- Adopt appropriate strategies for implementing a Grants Management Service.

Consultation Process

This document was created by the Business Architecture Domain Working Group (BADWG) under the direction of the Corporate Architecture Core Team (ACT). The Information Model related sections, namely Section 3.6, Section 3.7, and Appendix A1, were contributed by the Information Architecture Domain Working Group (IADWG). The membership of BADWG, IADWG and ACT is comprised of subject matter experts from all OPS I&IT Clusters and OCCIO offices. BADWG and IADWG validated the document through their respective client ministries.

Reference Documents

	Document Name	Version	Date	Author / Source
1	Transfer Payment Accountability Directive	1.0	Aug. 31, 2007	
2	Transfer Payment Accountability Best Practices Guide	1.0	Nov., 2007	
3	GO-ITS 56.2 Case Management Reference Model - Appendix A	1.03	Apr., 2009	Prepared for the Information Technology Standards Council (ITSC) under the delegated authority of the Management Board of Cabinet
4	Applying Tools To Support The Full Life Cycle of Grants Management	1.0	Jan. 27, 2009	ePerformance
5	Grants Management Target Architecture Profile (US Department of Housing and Urban Development	2.1	Feb. 24, 2006	Thomas & Herbert EA Practice Team
6	OPS Business Architecture Reference Data Model	1.0	January 2011	Corporate Architecture Branch, OCCS, MGS
7	Baseline IFIS Reference Business Architecture	1.0	Oct. 30, 2008	Government Services Cluster, MGS

Readers

The reference model is intended for the following readers.

Reader	Use of the Document
Business Planners, Policy Analysts, Business Analysts	• Provide support for business transformation or program review of government programs and services involving Grants Management
Program Managers	• Support Grants Management business model identification and design
Service Owners	• Support improvement of service performance • Support design of more cost effective service delivery processes
Change Initiative Project Managers, Business Architects & Information Architects	• Ensure that business transformation initiatives define Grants Management business models consistently across the OPS to support service transformation and integrated service delivery • Ensure that Grants Management business models are well formed to support alignment of information systems with Grants Management requirements

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1   Introduction

Grants Management is a business function used in the delivery of many Ministry programs. The number of Grants Management tools/solutions in the OPS is large and increasing rapidly. Grants Management must be well understood if business needs and I&IT solutions are to be aligned.

1.1 Problem Description

In the OPS, many Ministries offer grants to their clients. Grants are a type of transfer payment to organizations or individuals designed to meet a client need and achieve a program goal. Grants may be offered for a multitude of purposes including energy savings, job creation, arts and culture, sports and recreation, and human and social services to name a few.

Moving to a common set of Grants Management functions is a complex business transformation that can be supported by automated tools. Acquiring and implementing automated tools can be an expensive proposition requiring transformation initiatives to go through the OPS Gateway process, including architecture review and governance.

This reference model is intended to <u>define a generic guideline</u> for a uniform Grants Management business architecture. The desired outcome is to ensure that an automated tool is selected from an enterprise perspective and is configured to meet Grants Management business needs.

2   Definition and Characteristics of Grant Management

This section provides an OPS definition of Grants Management, Transfer Payments, Grants and Reference Model.   Many definitions were examined through an environmental scan and the following definitions were adapted from existing definitions.

Term	Definition
Grants Management	A collaborative process for the provision of program information, referral and advice, intake and filtering of applications, review, award, and post-award monitoring, with regards to a grant. These activities rely on information sharing and require timely reporting to both internal and external stakeholders[1].
Transfer Payment	Transfers of money from a government to an individual, an organization or another government for which the government making the transfer does not: • receive any goods or services directly in return; • expect to be repaid in the future; or • expect a financial return[2].
Grant	Grants are a type of transfer payments where the government has discretion in deciding whether or not to make the transfer, any conditions to be complied with, how much will be transferred and to whom. Note that grants may be "conditional" where the recipient of a grant is required to meet certain conditions or use the money received for a specified purpose. If the recipients do not meet some or all of the conditions they may be required to return some or all of the money[2].
Reference Model	An abstract representation of a problem space, which forms the conceptual basis for the development of more concrete models of the space, and ultimately implementations[3].

Table 1 - Definitions

A Grants Management business model has a number of key characteristics. These include:

- A legislated program with the mandate to transfer funds to achieve a specific program goal (defined as Grantor).

- A defined target group that needs financial support to enable a desired behaviour, action, or outcome.

- Defined expectations that include objectives, functions, eligibility criteria and recipient obligations.

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[1] This definition is adapted from Enterprise Grants Management Transformation Framework
[2] This definition is adapted from the Canadian Institute of Chartered Accountants PSAB Standard 3410 (1995) on "Government Transfers".
[3] Source: Wikipedia (www.wikipedia.org)

- A predefined set of rules and parameters that define how funding will be delivered or disbursed.
- An oversight body that will monitor performance and the issuance of funds.

A business initiative that has these characteristics _qualifies as Grant Management._

3 Business Architecture Artifacts

This section contains selected Business Architecture artifacts that describe a generic Grant Management business model. Descriptions of these artifacts can be found in the Corporate EA Review Requirements Guidebook on the OCCS intranet site. These generic artifacts are intended to be used as a reference when developing artifacts for a specific business model.

3.1 Party and Role Types

Grant management program delivery involves a wide range of roles played by organizations and individuals. The table below identifies the key roles and parties of interest to the program.

Role	Description	Cross-Reference Party or Parties playing the role
Program Manager	This role is accountable for a grants program that delivers one or more of the services required to meet the needs of a client.	Accountable organization
Public Service Provider	This role delivers (public) service outputs to a client.	Service delivery organization
External Program Partner	This role is external to the enterprise and works collaboratively with transfer payment program(s) to provide program support – e.g., Information, share funding of transfer payment program, enforcement, and/or review.	Organization
Support Service Provider	This role delivers the back office functions required to support the program in achieving its goals.	Support service delivery organization
Grant Performance Manager	This role provides strategic direction on the analysis and reporting of program performance and overall achievement of outcomes.	Accountable organization
Grant Coordinator	This role is responsible for coordinating / administering the delivery of services to meet a client's needs through the grant lifecycle.	Service delivery organization
Grantor	The legal public or private entity that is accountable for awarding a grant.	Sponsor organization

Role	Description	Cross-Reference Party or Parties playing the role
Client	An individual or organization located in Ontario that makes a request for and / or is approved to receive a grant.	Individual / Organization

Table 2 - Party and Role Types

3.2 Need Types

Table 3 lists the type of needs to be satisfied by a program that offers grants directly to clients and indirectly through service providers. A need is a condition or situation in which something is required, desirable or useful for a given target group.

Need Type	Description
Client Needs	
Financial Support	To receive money that will support the activities of a person or organization, undertaken to achieve stated objectives, which in turn contribute to the transfer payment program's overall provincial or community goals. The funds may represent contributions to the entity's ongoing operational costs or one-time/multi-period project costs.
Advice and Information	Advisory services to a specific client project or ongoing operations to help guide progress and improve their ability to achieve stated objectives and / or to representatives of a specific community or industry to provide input to broad planning and development activities intended to enhance the social, cultural, economic, or public health in Ontario. Information and referral services to link clients to other pertinent resources. To have transparent access to information on available grant services; rights and responsibility pertaining to grants; and of events, conditions, decisions, etc. that may materially affect their grant award.
Service Provider Needs	
Simplicity for client	Minimal paperwork, complexity, and repeated provision of the same information when dealing with transfer payment program(s).
Accessibility	Transfer payment program services are accessible to all Ontarians with no barriers due to disability, language, culture, etc. and clarity on criteria to access.
Fairness	Equitable service in transfer payment management, in particular, requests for service resulting in consistent responses and results.

Need Type	Description
Compliance	Demonstrated compliance of program management and service partners with prescribed policies, practices, and standards, as negotiated and defined as obligations in agreements making sure personal client information is securely kept and used only for the purpose intended. Demonstrated accountability that assigned responsibilities for grant programs are carried out. Including specific actions and intended outcomes are met. Clearly stated rules that will be applied to access grant program services and to publicly announce recipients.
Responsiveness / Flexibility	Ability to quickly and effectively implement new policy and transfer payment programs in response to program needs and priorities.
Administrative Simplicity	Easier to manage and deliver enterprise transfer payment management program with less paperwork and appropriate number and levels of approvals.
Efficiency	To improve the ability of a program to operate in an efficient manner, (operational efficiency).

Table 3 - Need Types

3.3 Goals

Enterprise goals are based, in large part, on meeting the needs of the program's target groups. As noted above, the Grant Management business model has two primary target groups: the client and the service provider.

Goal	Outcome	Impact
Enable desired behaviours, actions, and/or outcomes	▪ Increased % of community projects that are able to find funding or other support ▪ Increased % in opportunities for target groups ▪ Increase in success of client initiatives or activities	▪ Increase in participation of initiatives

Table 4 - Goals

3.4 Lifecycle of a Grant

The generic lifecycle of a grant is depicted in the following State – Transition Diagram (Figure 1). The transition from one state to another is associated with a business function that achieves the transition.
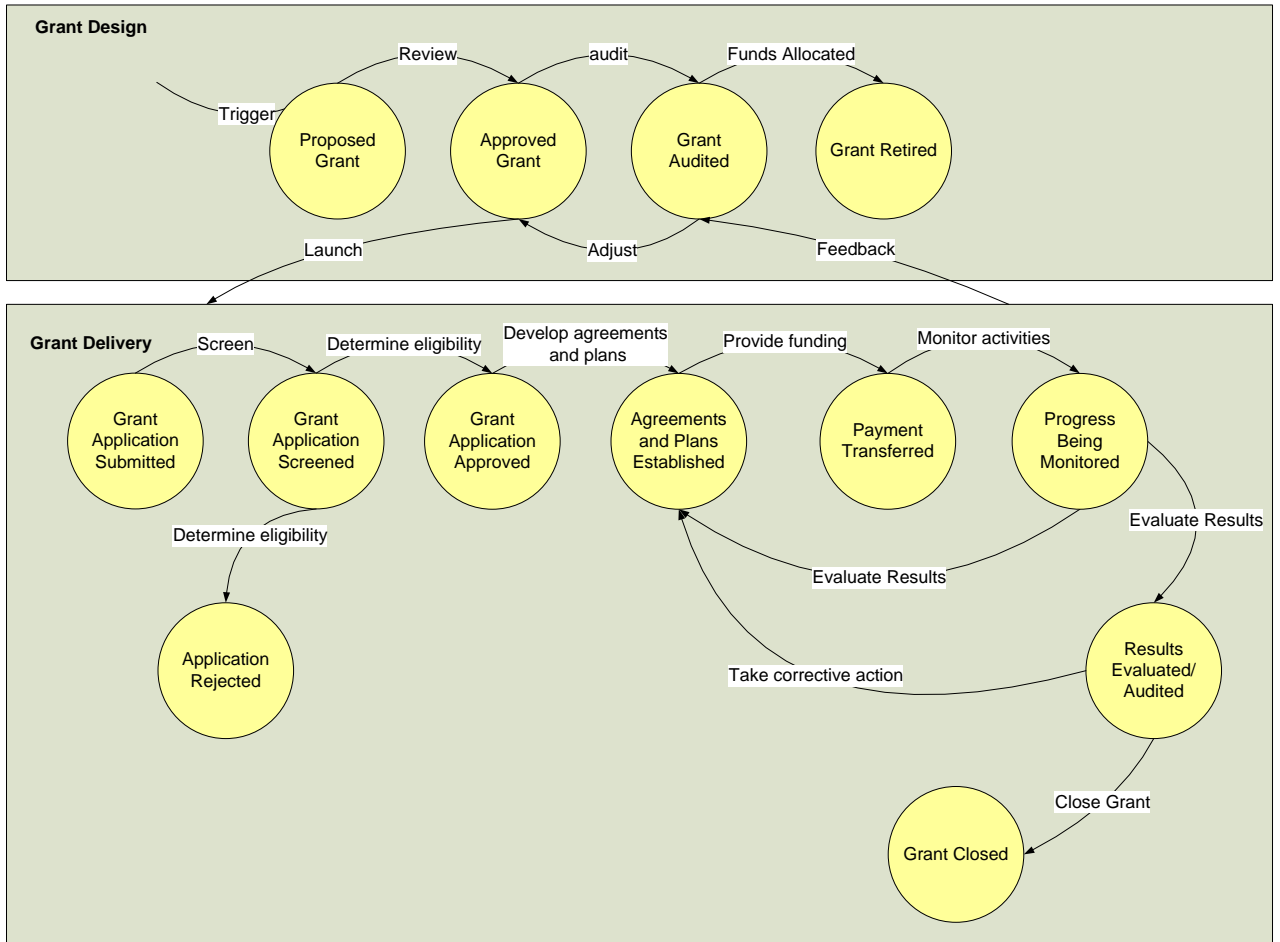

Figure 1 - State Transition Diagram

3.4.1 Lifecycle of a Grant Descriptions

Grants Management has two unique stages, Grant Design and Grant Delivery. Grant Design involves activities that are required for a grant strategy; these include developing, managing and retiring. Program areas develop grants to enable desired behaviours, actions, and/or outcomes in a specific demographic. Once developed the grant program is reviewed, approved and launched, whereby clients can apply. The launched grant program undergoes audits to ensure compliance, performance and improvements if necessary. Retirement of a grant is triggered once the program goals have been achieved and all funds have been allocated.

Grant Delivery is triggered when a grant is officially launched. Clients apply to the grant program by submitting an application. Based on eligibility criteria previously defined in the Grants Design, the Grantor (e.g. program area) conducts an initial screening. The Grantor evaluates eligible applications and awards the grant to approved clients. An agreement and/or plan outlining funding rules, performance expectations, and timelines is developed and approved by all parties. Payments can then be transferred to the client. As part of regular due diligence, monitoring is done and feedback provided. Results of the monitoring are audited and evaluated against the agreement/plan. Corrective action may take place if necessary. Once the terms of the approved agreement/plan have been satisfied, the grant is closed.

3.5 Business Functions

The focus of Grants Management is to provide assurance that grants are provided to directly support achievement of program goals. Success of Grants Management depends on a well-defined mandate, target group needs, business rules and performance evaluation processes.

Business Function: A collection of processes intended to produce a valued output that a business must perform in order to meet its business objectives and continue in existence. As illustrated in Figure 2, a business function may be either a service or a process [4]
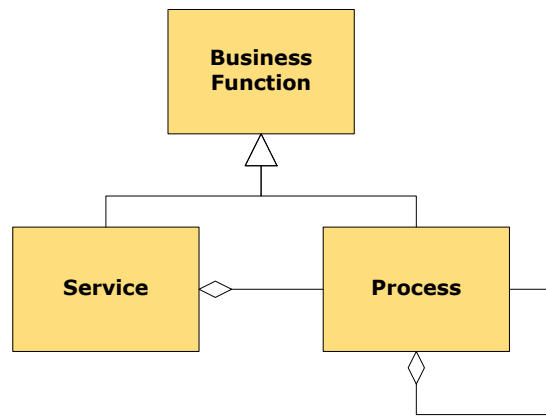
Figure 2 - Business Function

Grants Management involves both delivery functions and management functions. Delivery functions directly support or enable the delivery of one or more service outputs. Management functions support the management of an organization, including the planning, design, provision and monitoring/evaluation of programs and services.

These two types of functions are presented separately. Delivery functions focus on the client, while management functions focus on administration of the organization.

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[4] GO-ITS 56.1 Defining Programs and Services in the OPS, section 1.3.1.

3.5.1 Delivery Functions

Typically, grantors provide the ability for clients to submit applications; they award grants and monitor the grant recipient's performance until the intent of the grant is achieved. Additionally, grantors may need to manage appeals when the program permits challenges on the outcome. The dashed lines in Figure 3 indicate that the process of Managing Appeals is not always applicable.
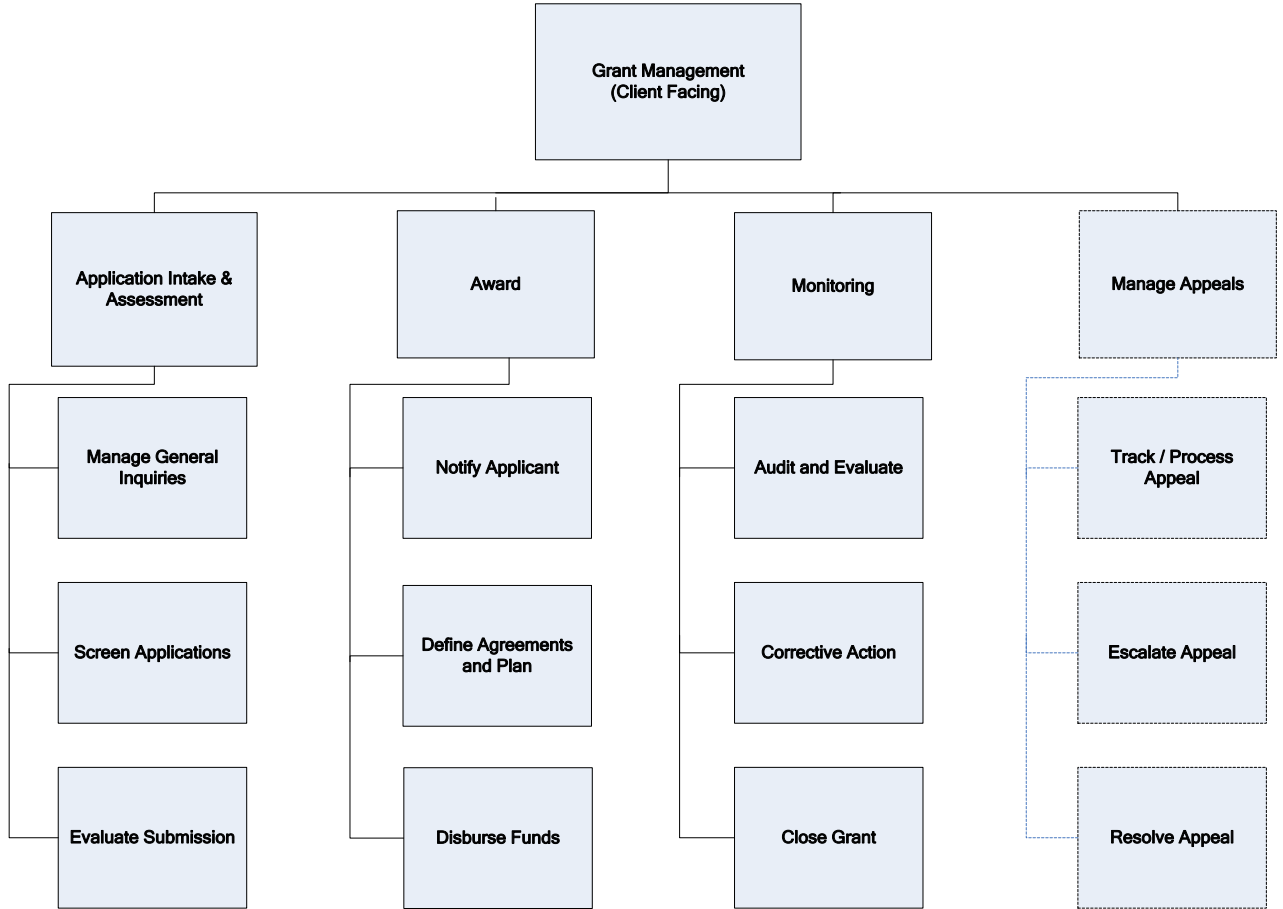

Figure 3 - Delivery Functions

3.5.2 Delivery Function Descriptions

Functions	Processes	Description
Application Intake and Evaluation		The process that allows individuals to collaborate with the grantor to determine eligibility.
	Manage General Inquiries	A method of providing information to an undefined demographic.
	Screen Applications	A preliminary review of applications to ensure that all required information is submitted and that high-level requirements are being met. Applications that pass the screening process proceed to evaluation.
	Evaluate Submission	A detailed review of the applicant's information including all supporting documents. This process could result in an approval, non-approval, or third party review (if applicable).
Award		The collaborative process between the grantor and the approved party resulting in a formally documented agreement/contract.
	Notify Applicant	Notification to the client (grant recipient) that they have been approved to receive the grant. Notification could include formal announcements including media coverage.
	Define Agreements and Plan	A legal document negotiated and signed by the Province (grantor) and the client (grant recipient) once the Province decides to provide funding to the recipient. This agreement/contract includes criteria such as • accountability, monitoring and reporting requirements • performance measures, targets and measurement systems • provisions for corrective action • Agreed listings of amounts and dates payments are to be transferred, as outlined in the agreement/contract.
	Disburse Funds	The transfer of monies from one party to the other as directed by the agreement/contract.

Functions	Processes	Description
Monitor		The oversight capacity to ensure that recipients receiving transfer payments are providing the services for which funds have been provided. Oversight includes the ability to administer a program, assess risk, communicate with transfer payment recipients on a regular basis, monitor the results for contracted projects and services arising from transfer payments, and take corrective action when necessary.
	Audit and Evaluate	The comparison of actual expenditures and results against previously defined criteria, to determine if a gap exists.
	Corrective Action	A process initiated when agreed-to criteria are not achieved. This can be based on mandatory requirements and the risk assessment results. Steps taken can include: • review and adjustment of expectations and agreement for continuous improvement as required • continuous monitoring and follow-up • repayment of funds
	Close Grant	Once the contractual obligations have been met a closing process is triggered resulting in lessons learned, reporting, and financial closure.
Manage Appeals		The process of adjudicating complaints between the client, the grantor and service provider and issues findings and rulings that direct future direction and action.
	Track / Process Appeal	The process of accepting, processing and tracking appeals.
	Escalate Appeal	The process of determining the appropriate level of authority required to handle an appeal and elevating the appeal to the appropriate level.
	Resolve Appeal	The processes required to get a ruling to resolve an appeal. The decision of an appeal may involve changes to the plan or agreement.

Table 5 - Delivery Function Descriptions
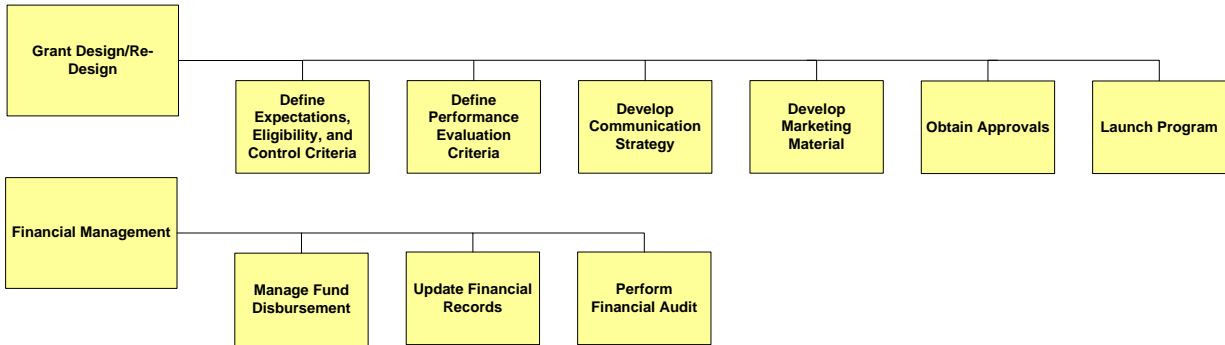
3.5.3 Management Functions

Figure 4 - Management Functions

3.5.4 Management Functions Description

Functions	Process	Description
Grant Design / Re-design Grant		The development and introduction of a new service offering by the program or a modification to an existing service offering to address the needs of a defined target group.
	Define Expectations, Eligibility, and Control Criteria	The formalization of performance expectations agreed upon between parties for services provided, including to service provider agencies. Clearly defines each party's role, accountability, and responsibility. The consideration of the transfer payment environment, clarifying: • Program objectives • Performance measures and targets • Risk Management: Identify the risks to meeting the program objectives. • Measurement, assessment and prioritization of risks. • Plan and take action, e.g., risk management strategies.
	Define Performance Evaluation Criteria	The identification of standards to which one can compare actual performance with that planned in terms of both resource utilization and production.

Functions	Process	Description
	Develop Communication Strategy	The development of a plan that considers how the message will be broadcasted and to what audience. The communication strategy should be regularly and consistently evaluated for its effectiveness and efficiency with measurable targets and objectives.
	Develop Marketing Material	The creation of material used to communicate a message to a targeted audience. This could include, mailings, brochures, presentation, proposals, contracts, e-mails, printed and online forms, catalogues, etc.
	Obtain Approvals	The process of obtaining proper authorization as outlined in the ministries' (or ministry's) governance process, e.g. funding
	Launch Program	The formal introduction of the grant program to the public. The method of the launch will be directed by the communication strategy.
Financial Management		A grouping of services that include centralized payment, collection, reporting services, oversight of cash flow as defined in the agreement/contract. Financial reconciliation of program budgets.
	Manage Fund Disbursement	The process of overseeing the dispensing of funds or fund recovery from one party to the other as directed by the agreement/contract.
	Update Financial Records	The posting of financial information as a result of the funds transfer.
	Perform Financial Audit	The process of review the integrity of the financial transactions.

Table 6 - Management Functions Descriptions

3.6 Information Model

The Grants Management Information Model consists of nine subject areas. Each subject area represents an area of importance to the business. These subject areas align with the grant design / re-design and client facing grant delivery functions of grants management and <u>must be used as a starting point</u>. A diagram of the subject areas is provided in section 3.6.2. The detailed definitions of subject areas and entities can be found in Appendix A1.

1. The **PROGRAM** subject area represents the information requirements for grants offering programs, including program governance and evaluation.

2. The **BUSINESS FUNCTION** subject area represents the information requirements for business functions including transfer payment and grants management functions.

3. The **SERVICE OFFERING** subject area represents the information requirements for the service offerings of the grants management processes, including offering of funds. It includes performance measures used for measuring service objectives.

4. The **PARTY AND ROLE** subject area represents the information about the parties involved and their roles in the grant management, offering and delivery services. These roles include:
   - Program Manager
   - Service Owner
   - Grant Applicant
   - Funds Recipient
   - Case Manager

5. The **LOCATION** subject area represents the information about where parties live and where grants are offered.

6. The **APPLICATION MANAGEMENT** subject area represents the information required for managing grant applications, case assessment / evaluation, eligibility, award decision, appeal and other supporting documents such as circumstances, findings or plans.

7. The **FUND PROVISION AND USAGE MONITORING** subject area represents the information about provision of allocated funds, fund transfer transactions and schedules, monitoring and reporting of fund usage.

8. The **COMMUNICATION** subject area represents the information required for managing and tracking communication at the grants program and service offering level (e.g. program and service offering promotions, public announcement via various communication channels) at the grants application,

evaluation, award, appeal, and monitoring level (e.g. communications with applicants, fund transfer recipients, service providers) and the channels of communication used.

9. The **BUSINESS RULE** subject area represents the information requirements for business rules used to support program, business function and service designs, governance, evaluations, and process controls.

3.6.1 Grants Management Information Model Notation

The Grants Management Information Model is shown in an entity-relationship diagram (ERD). An ERD illustrates entities and their relationships. In an ERD, a box describes an entity. An **entity** is a thing, person, place, event or concept that is of interest to the business and about which information is to be collected or known.

A line between two boxes describes a **relationship** between the two entities. Relationships represent business rules and set out significant associations between two entities. A line depicted as an arc implies that the two relationships involved are exclusive in nature. Several types of symbols are used to represent relationships.

The following relationship symbols are used in the Grants Management Information Model:

	A crow's foot represents a many relationship
	A circle represents optional participation in a relationship
	A straight line represents a must have relationship
uses	Text above or below the relationship line represents the name of the relationship

Relationship symbols can be used in combinations:

	must have one or many
	may have zero, one or many
	must have one and only one
	may have one

Sometimes a relationship can form a parent and child relationship in which the parent (or the super type) entity can have one or more child (or subtype) entities and contains one or more attributes that are common to its child entities and each child entity is a subgroup of the parent entity and may have its own unique attribute(s).

Colour conventions are also used on the Grants Management Reference Information Model as follows:

- **Yellow** boxes are data entities that have been defined in the OPS Business Architecture Reference Data Model (BARDM) and reused in the Grants Management Information Model;

- **Blue** boxes are data entities that have been defined in the GO-ITS 56.2 Case Management Information Model and reused in the Grants Management Information Model;

- **White** boxes are data entities that have been defined in the Baseline IFIS Reference Business Architecture (BIRBA) and reused in the Grants Management Information Model;

- **Green** boxes are new data entities introduced to support the specific business functions of the Grants Management Reference Model;

- Regular relationships between entities are shown in blue;

- Parent and child relationships are shown in teal.

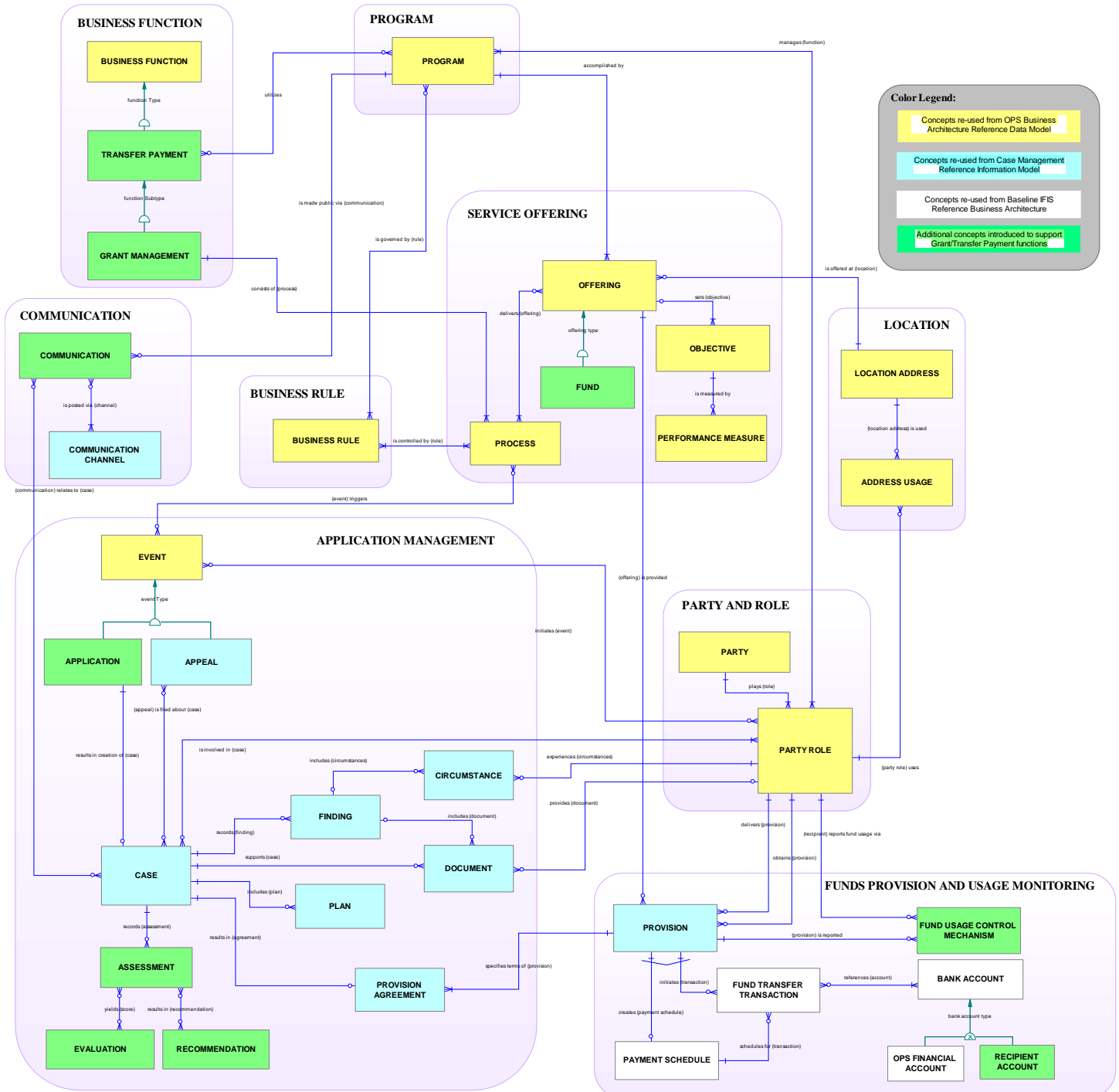## 3.6.2 Grants Management Information Model Diagram

Figure 5 – Grants Management Information Model Diagram

3.7 Information Support of Business Functions

The following illustrates how the subject areas are <u>used to support the client facing and business support functions</u> specified in Section 3.5 Business Functions.

1.   Client Facing Grant Delivery Functions

   a. Application Intake & Evaluation

   - The **APPLICATION MANAGEMENT** subject area is the first point of information collection for a party enquiring about a grant or applying for a grant (Manage General Inquiries). It supports the creation of a case for an application requesting a grant, Screen Application, and Evaluate Submission based on the criteria and process defined in the Grant Design / Re-Design process

   - The information in the **APPLICATION MANAGEMENT** subject area covers applications received, supporting documents served as proof of the circumstance, record of evaluation and assessment conducted and the associated findings and recommendation.

   - The subject areas **PARTY AND ROLE** and **LOCATION** cover the collection of intake information regarding the application.

   - Eligibility determination is based on business rules presented in the **BUSINESS RULE** subject area.

   - The **COMMUNICATION** subject area covers the detailed documents and the communication channels used for handling the general inquiries.

   b. Award

   - The **APPLICATION MANAGEMENT** subject area supports the process of Notify Applicant whereby applicants are notified about the status of a request for a grant. It also supports the process of Define Agreements and Plan for an application that has been approved as per the assessment.

   - All monetary transactions including the processes of Disburse Funds are covered in the **BUSINESS FUNCTION** and **SERVICE OFFERING** subject areas.

   - The information in the **COMMUNICATION** subject area will be used / updated for sending the application approval notification to the applicant / fund recipient.

   - The information in the **APPLICATION MANAGEMENT** subject area will be updated while an application for grant is approved. A

subsequent case file will be created for the approved application, grants provision agreement and plan will be created and approved.

- The information in the **FUNDS PROVISION AND USAGE MONITORING** subject area will be updated to record the payment schedule and the actual amount of funds transferred.

c. Monitor

- The **APPLICATION MANAGEMENT** and **FUNDS PROVISION AND USAGE MONITORING** subject areas support the processes of Audit and Evaluate by capturing the information required during the lifecycle of the grants management process.

- The processes of Corrective Action and Close Grant are managed through the **APPLICATION MANAGEMENT** subject area.

- The information in the **FUNDS PROVISION AND USAGE MONITORING** subject area will be updated to record the transfer of funds according to a set payment schedule, and record the up to date fund usage auditing / monitoring result.

- The information in the **APPLICATION MANAGEMENT** subject area will also be updated to record the up to date case file status, and any necessary adjusted changes in provision agreement and plan. If the grant provision is complete, the case file will be closed.

- The information in the **COMMUNICATION** subject area will be updated for sending the grant case closure or adjusted payment notification to fund recipient.

d. Manage Appeals

- The information in the **APPLICATION MANAGEMENT** subject area will be updated to capture and track an appeal made in regard to either a declined application or an approval of a different amount and the result of appeal, to record which level of authority is required to handle the appeal, and to record the decision and resolution made as a result of processing the appeal.

2. Grants Management Support Functions

a. Grants Design / Redesign

- The **PROGRAM**, **BUSINESS FUNCTION** and **SERVICE OFFERING** subject areas capture all the information during a grants product design process which includes the processes Determine Eligibility, Define Performance Evaluation Criteria, Obtain Approvals and Launch Program.

- The **COMMUNICATION** subject area supports the process of Develop Communication Strategy and captures information used in the Develop Marketing Material process which is used for advertising the availability of a grant.

- The **PARTY AND ROLE** and **LOCATION** subject areas allow capturing the information on which organizations or individuals are involved in the grants program, what roles they are playing and in what capacity, who are the target groups for a specific grant offering, and where the grant program is offered.

b. Financial Management

- The **FUNDS PROVISION AND USAGE MONITORING** subject area supports information for management of financial transactions that are captured in the Manage Fund Disbursement process.

- The fund disbursement records, transfer of payment records, and allocated fund usage reports are captured and kept in the **FUNDS PROVISION AND USAGE MONITORING** subject area for audit purposes.

Note: The actual financial transaction executions, transaction records will be supported and managed by a designated Financial Management and Support Function (e.g. IFIS services).

3.8 Grant Management Delivery Strategies

Once an enterprise has determined that it has a need to implement a Grants Management business model, the next decision is what form, or strategy, the implementation will take. Both program delivery and service delivery strategies need to be described:

- Program delivery strategies set the direction of the grant program in achieving its mandate to meet the needs of its target groups. It is achieved through the provision of services.

- Service delivery strategies determine how a service will be delivered to clients.

Program Delivery Strategies

Listed below are three generic program delivery strategies to be considered.

- **Supply Capacity -** The program may choose to supply resources to enlarge the target group's capacity to act. For example, the government may choose to provide grants to students to ensure that they can participate in postsecondary education, such as OSAP grants and bursaries.

- **Enhance Capability -** The program may fund services that enhance the target group's capabilities for action. For example, the government may choose to provide grants for hands-on training and certification to individuals to enable them to work in occupations requiring skill sets in industry, such as mining or crane operation.

- **Enable and Influence -** The program may fund services that facilitate and influence the target group's actions. For example, the government may choose to provide grants for energy efficient appliances to encourage the replacement of home appliances.

Service Delivery Strategies

Listed below are three generic service delivery strategies to be considered.

- **Direct Delivery** – where the grantor who is *accountable for program outcomes is accountable for delivering services;*

- **Managed Provider** – where a 3rd party organization manages one or more of phases of service delivery of the service offering(s) on behalf of a grantor. The grantor retains accountability for service performance and the 3rd party organization is responsible for the service delivery processes;

- **Partnership** - two or more organizations share risks, resources, and accountability in providing services.

The following table outlines three strategies that are commonly used when delivering grants. In instances where the Grant Management business is complex, a combination of these strategies can occur.

Each strategy is differentiated based on the authority and responsibility of the service provider for:

- Service delivery; and

- Monitoring and evaluation of achievement of the program goals.

Refer to GO-ITS 56.1 Defining Programs and Services in the OPS for further information on delivery strategies

Strategy	Accountabilities	Service Provider
Direct Delivery	- for addressing inquiries - for applicant assessment - for awarding grant - for monitoring and evaluation of the grant	Program Manager
Managed Provider	- for addressing inquiries - for applicant assessment - for awarding grant - for monitoring and evaluation of the grant - for managing 3rd Party Provider contract	3rd Party Provider
Partnership	- for addressing inquiries - for applicant assessment - for awarding grant - for monitoring and evaluation of the grant	External Program partner Program Manager 3rd Party Provider

Table 7 - Grant Management Delivery Strategies

3.9 Business Rule Types

Grants Management is a rule driven service delivery model. Business rules are implemented in a number of instruments such as agreements/contracts, policy, regulation, memorandum of understanding, etc. The business implementation strategy that is chosen is one, but not the only, determinant of the business rules that are required.

The following table highlights areas where formal _business rules specific to Grants Management may need to be established._

Rule Type	Explanation
Government Discretion	Grants are transfers of monies that are made at the discretion of a government. A set of business rules defines the decision criteria for exercising discretion.
Eligibility	Ministries and classified agencies must define the eligibility criteria for all transfer payment programs.
Mandatory Requirements / Recipient Obligations	Ministries and classified agencies must define the mandatory requirements and/or obligations for all transfer payment programs. This includes requirements for reporting on fulfillment of obligations.
Corrective Action	Where there is non-compliance with the obligations of the transfer payment program or where a transfer payment recipient has failed to meet contractual obligations, corrective action must be initiated in proportion to the risk associated with the degree of non-compliance. A set of business rules defines the nature and progression of corrective actions.
Grant Coordinator	Normally, a grant coordinator would be formally named and granted some level of authority. Business rules would define the level of authority.
Appeals	If the program includes provisions for an appeal process, the process must be fully documented with explicit business rules.
Agreements	An agreement must be in place between the grantor (Province) and a grant recipient before transfer payments are made. These form the basis of business rules for the duration of the agreement.
Governance and Accountability Requirements	In providing transfer payments under shared cost agreements and grants, ministries and classified agencies must ensure that the grant recipients receiving transfer payments have governance structures and accountability processes to properly administer and manage public funds and to provide the services for which the transfer payments are made.

Table 8 - Business Rule Types

4   Summary

This reference model is provided as a starting point to illustrate that many individual grant programs have a common basis. It is important to note that any tool that may provide this functionality should not dictate the way the business should operate.

The intent of the business architecture for a grants program should minimally address the following:

> ➢ Mandated Program Goals related to meeting the desired outcomes for the client;
> ➢ Business functions for both delivery and management of the organization;
> ➢ Business rules define how funding will be delivered and the administration of the grant program; and
> ➢ A program evaluation and performance monitoring process, including the designation of an oversight body.

Once the client facing component of the Grant Management business model is complete, the support services can be defined to support the business. For example, business rules relating to information management would be developed and the various accountabilities of parties would be the basis of contractual agreements between support service organizations and public service providers.

Appendix A1 – Information Model Subject Area and Entity Definitions

This appendix provides the subject area and entity definitions to enable reuse and consistency in Grants Management data model designs.

Subject Area	Entity Name	Description
APPLICATION MANAGEMENT		Represents information about grants application and assessment findings based on circumstances. Depending on the circumstance, a grant can be offered according to a plan based on agreement or declined. In both scenarios the applicant may appeal against what has been determined.
	APPEAL	A recorded event when a person or an organization requests to have an earlier decision reviewed or changed. An appeal may happen in two situations: 1. When an applicant or beneficiary disagrees with a declined decision; 2. When an applicant or beneficiary disagrees with the amount of grants provided.
	APPLICATION	A recorded event when a person or an organization requests or applies for funding.
	ASSESSMENT	An evaluation of an application in order to determine eligibility or the degree of need for funding. A formal assessment process generally includes the evaluation of the applicant against predefined criteria in order to recommend a course of action.
	CASE	Information about the object of investigation or consideration. A CASE supports an outcome driven process. It can be used to support an individual, a group of individuals (e.g. a family), or an organization involved in a request for grants from Ontario government. A case can be related to other case(s). A case can be assigned to one or more individuals for assessment and approval.

Subject Area	Entity Name	Description
	CIRCUMSTANCE	Information about the situation, condition or event that may trigger an application for grant. A circumstance can be declared by an applicant, and can be used to assess and justify the needs, and/or determine eligibility for a grant. For example circumstances can be: • A person experiencing some condition (e.g. disabled or other medical conditions, employment barrier, low income, etc.) • A person living in the North is eligible for Northern Allowance, etc. • A family is enrolled in a home renovation program that is eligible to apply for government backed green environment grants, etc. In some situations, a circumstance may be determined by another circumstance (e.g. a person experiencing an employability barrier may be determined by the level of education and skill, therefore if the person registers for and attends a qualified training, that person may be eligible to apply for education assistance grant).
	DOCUMENT	A written or printed record used to prove eligibility or to support qualification for funding. This could include proof of identity, proof of citizenship, certified notes from physician proving disability, bank account report, etc.
	EVALUATION	A record of an assessment based on specific criteria.
	EVENT	The occurrence of a specific activity. In the context of grants management, an event may be an application for a grant, or an appeal for an earlier decision made.
	FINDING	A fact that was determined or discovered based on circumstances. A finding can be categorized as: • Need for a certain financial assistance (grant), service or things that are either tangible (goods) or intangible (improved knowledge and skills set), or; • Non-compliance according to some regulations, policies, or rules
	PLAN	A document of a proposed proceeding. A plan is a series of activities (or steps) to be arranged and carried out for accomplishing goals and achieving targeted result or outcomes required in meeting these goals.
	PROVISION AGREEMENT	An arrangement between parties as to a course of action. In the context of grants management, the provision agreement occurs when there has been a decision to grant provision (i.e. case approved). The agreement specifies the terms and conditions of grant usage (e.g. reporting).
	RECOMMENDATION	A summary from the assessment of a case, usually recording observations, comments about the case, and suggesting an action plan, e.g. approval, or granting of funding.
BUSINESS FUNCTION		Represents the information and concepts related to business functions including grants management and transfer payment functions.

Subject Area	Entity Name	Description
	BUSINESS FUNCTION	A collection of activities, tasks, or processes intended to sustain the organization's business objectives (i.e. providing a service, producing a defined set of results, or valued output). Business functions involve common skills or professional disciplines, such as accounting or legal business functions.
	GRANT MANAGEMENT	A type of transfer payment function whereby the Ontario government offers funds to qualified applicants. Grants are used to support specific government objectives.
	TRANSFER PAYMENT	A type of business function in which the Ontario government transfers funds to an individual, an organization or another government to achieve one of the following objectives: ▪ To contract service organizations to deliver services to Ontarians on behalf of Ontario government. ▪ To subsidize Ontarians in need of support (e.g. income support). ▪ To reimburse eligible expenditures pursuant to an agreement between cost-sharing or cost-reimbursement governments / parties.
BUSINESS RULE		Represents the information about the business rules used in program product and service designs, governance, evaluations, and process controls.
	BUSINESS RULE	A statement that governs, constrains, or influences behaviour in order to achieve program strategies (or outcomes), meet program management accountabilities (e.g. constraints such as privacy), and enable the delivery of effective, efficient and quality services. Business rules may consist of legislations, regulations, directives, acts, operation policies, and detailed business rules. In the context of grants management, the term business rules refers to rules that qualify a person / organization for receiving funding.
COMMUNICATION		Represents the information about management and tracking of communication and correspondence at: • Grant program and offering level (e.g. promotion and public announcement via various communication channels) • Grant application, evaluation, award, appeal, and monitoring level (e.g. communication with applicants, fund recipients, service providers), and the channels of communication used)
	COMMUNICATION	A record of information being published, spoken or written.
	COMMUNICATION CHANNEL	A method of communication, for example: brochures, ad campaign, internet.

Subject Area	Entity Name	Description
FUNDS PROVISION AND USAGE MONITORING		Represents the information about funds provided, money transferred, payment schedule, financial accounts used for transfer of fund and fund usage control.
	BANK ACCOUNT	A financial account with a banking institution used to show any financial transaction (e.g. deposit or withdraw) activity occurred and the updated balance as the result of the transaction. In the context of grants management, a Bank Account provides a mechanism to represent the transfer of funds (e.g. the grants) from a Province of Ontario government account to the account of qualified individual, organization, or another government organization.
	FUND TRANSFER TRANSACTION	A recorded action of disbursement of funds for a set purpose, from the Province of Ontario's bank account to a bank account of an individual, organization, or other government (i.e. fund recipient) for which the Province does not: • Receive any direct goods or services in return; • Expect to be repaid in the future as expected in a loan; and • Expect a financial return as would be expected in an investment.
	FUND USAGE CONTROL MECHANISM	A formal mechanism (e.g. statement, report) for controlling and/or monitoring how the grant funding was used.
	OPS FINANCIAL ACCOUNT	A type of bank account owned by an OPS ministry or organization to record the transactions of revenue allocation and / or capital expenditures.
	PAYMENT SCHEDULE	A timetable indicating when funds are to be transferred, e.g. every 15th day of each month, for 3 months, starting January. In IFIS, it is also known as account payable schedule.
	PROVISION	A recorded fact to indicate that specific cases have been awarded specific amount of funds.
	RECIPIENT ACCOUNT	A type of bank account designated in the context of payment transfers to record amount of funds transferred. A Recipient Account can be used as: • A Supplier Account - Account used to facilitate monetary returns to a Supplier for goods or services provided to the OPS. • An Individual Account - Account used to make payments to an individual who is a recipient of payment(s) through a government program.
LOCATION		Represents the information required to locate where parties reside and where Service outputs are offered.
	ADDRESS USAGE	An association of a Party Role to a location for a specified time period and purpose. For example, it may define many possible Addresses for a grant recipient.

Subject Area	Entity Name	Description
	LOCATION ADDRESS	An address description that identifies, describes or helps find a location anywhere in the world for the purpose of physically getting there, delivering mail or parcels, sending e-mail, contacting via telephone, or access via web site.
PARTY AND ROLE		Represents the information about the parties that could be involved in a grant program offering, grant application, grant management case, and the roles they play. For example, • Program Manager • Grant Applicant • Fund Recipient • Service Provider
	PARTY	A Party represents a real-world person or group of people as described by a program or service.
	PARTY ROLE	An instance of Role Type played by a single Individual or Organization, for a period of time. One Individual or Organization may play multiple Roles. In the context of case management, some roles may require specific attributes (e.g. case member, staff member, service provider).
PROGRAM		Represents the information about the grants management program and the business concepts to provide a framework for Program Governance.
	PROGRAM	A mandate conferred from the governors of the enterprise to achieve goals and outcomes that address the identified needs of a target group within the jurisdiction. A Program is delivered through a portfolio of services that contribute to the program goals and comply with the program strategy.
SERVICE OFFERING		Represents the information about the grants products and services that may be required and the business concepts for service delivery, service evaluation, and performance measure.
	FUND	A type of offering in the form of money.
	OBJECTIVE	Quantified or qualified outcome or result with target dates that measures progress towards a goal. Objectives translate broadly stated goals into more detailed and measurable targets. Examples of objectives in the context of Grants Management include: Energy conservation grant is offered as an incentive for Ontarians to minimize energy use and to promote cleaner air.
	OFFERING	A provision or funds that is made available from government programs and is subject to eligibility requirements being met.

Subject Area	Entity Name	Description
	PERFORMANCE MEASURE	An assessment of the degree of achievement of business results. A Performance Measure is a specific quantity (absolute number, percentage or ratio) measured for a specific date or time period which compares performance against an Objective and an interim commitment. Performance Measures may be applied to Programs, Services, Workers, and other entities.
	PROCESS	A linked sequence of activities that delivers a Service, manages a Resource, or operates an Organization. A hierarchy of Processes can be defined. Processes may be repeated many times, or they may be one-time projects. A Process may be used to deliver more than one Service.

Table 9 – Grants Management Information Model Subject Areas and Entities